

## MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

September 18, 1974  
9:00 A.M.Electric Auditorium  
301 West Avenue

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The meeting was called to order with Mayor Butler presiding.

## Roll Call:

Present: Councilmen Binder, Dryden, Friedman, Handcox, Lebermann,  
Mayor Butler, Mayor Pro Tem Love

Absent: None

The Mayor announced that this was a called Special Meeting to continue the work session on the 1974-75 Budget. He introduced the City Manager, who reported to the Council on the various levels of tax cuts and what each level would require. Mr. Davidson stated that Mr. Homer Reed, Deputy City Manager, would present an overview and some of the ground rules used to compile the data and that Mr. Joe Liro, Budget Director, would go over the details of the departmental cut list.

Mr. Reed stated that alternate budgets were prepared at the following tax cut levels: 7.5¢, 12¢, 14¢ and 16¢, with a \$2,000 Homestead Exemption increase calculated only at the 7.5¢ level. The Homestead Exemption feature could be considered at the other levels by decreasing the tax cut by 1¢ at each level. Grant levels were considered at \$400,000 and \$721,000. Each proposal included first-year funding for the Emergency Medical Service (\$450,000). Tax cuts at the proposed levels could be accomplished with reductions in the budget as shown in a memorandum circulated to the Council. The reductions ranged from \$2,002,694 at the \$400,000 level, 7.5¢ + \$2,000 Exemption to \$3,659,593 at the \$721,000 level, 16¢ with no Homestead Exemption. Those figures were for tax-supported funds only. When adding comparable cuts in utility funds, the total reductions ranged from \$3.2 million to \$4.9 million.

Under the 7.5¢ cut, no existing programs would be effected, but there would be a general belt tightening within City Departments. At the minimum level (7.5¢ cut), 114 new positions would be eliminated; at the maximum level (16¢ cut), 148 new positions would be eliminated.

Regarding fiscal policy and projecting a \$140 million increase in tax valuation based on growth only, Mr. Reed made the following comments:

1. At the 7.5¢ tax cut level, the likelihood of a tax increase the following year would be minimal if the same programs were continued.
2. At a tax cut level above 7.5¢, it would be necessary for a tax increase the following year or else a substantial further reduction in services.
3. At all levels of reduction, revenue sharing funds would have to be used to support some continuing municipal operations, a departure from previous policy. Any new appropriations or grants would translate directly to the tax rate. Any combination of approximately \$180,000 would add or delete 1¢ to the tax rate.
4. With a tax cut being considered and belt tightening mandated by the Council, the City Manager, who had been managing the ending balance, and the Council now must share the responsibility for that important function. The ending balance is the balance required to avoid a tax increase in the subsequent year. Also, the new tax appraisal system complicated ending balance planning by giving a stairstep-like tax income projection on a chart: an increase one year followed by a relatively flat level of income for the following year. That income feature, plus belt tightening made it imperative to preserve an ending balance in the proposed budget. At each alternative tax cut level the projected ending balance was between \$1.25 million and \$1.3 million--sufficient to sustain the 7.5¢ tax cut level for at least two years, assuming no new City programs are initiated.

Mayor Pro Tem Love asked Mr. Reed what the projected ending balance would be if the budget were accepted as proposed (including funding \$1.6 million in social services, Emergency Medical Service, no tax rate reduction and no increased Homestead Exemption). Mr. Liro indicated that the figure would be about \$100,000, but that he would verify it.

Mr. Liro then discussed the proposed departmental cuts.

#### Construction Management

7.5¢ level - Reduce administrative expenses; eliminate two positions.

12¢ level - 7.5¢ reductions plus eliminate two more positions.

14¢ level - 12¢ reductions plus eliminate one more position.

16¢ level - Same reductions as 14¢ level

Mayor Pro Tem Love asked Mr. Liro what impact would grant requests have on the figures being discussed. Mr. Liro stated that essentially, there would be no impact up to \$721,000, because revenue sharing funds covered the grant requests. Above \$721,000, it might be necessary to cut further within the departments.

Environmental Resource Management

12¢ level - Eliminate one position.

14¢ level - Same as for 12¢ level.

16¢ level - Same as for 14¢ level.

Research and Budget

7.5¢ level - Reduce travel; eliminate City membership in Public Technology, Inc.

12¢ level - Same as 7.5¢ level.

14¢ level - Same as 12¢ level.

16 ¢ level - Same as 14¢ level plus eliminate one position.

City Attorney

12¢ level - Eliminate one position.

14¢ level - Same as at 12¢ level plus eliminate one more position.

16¢ level - Same as 14¢ level.

City Clerk

7.5¢ level - Eliminate vacant Associate City Clerk position, and reduce capital requirements. Maintain vacant Deputy City Clerk position.

12¢ level - Same as 7.5¢ level plus decelerate program to eliminate file maintenance backlog.

14¢ level - Same as 12¢ level.

16¢ level - Same as 14¢ level.

Public Information

7.5¢ level - Eliminate one position; cancel funding for Employee magazine, establish requirement for self-supporting financing. Maintain same cuts at 12¢, 14¢ and 16¢ levels.

The City Manager stated that an agreement would be proposed with the Municipal Employees Federal Credit Union whereby the Credit Union would fund the Employee magazine in return for the use of their advertising.

Data Systems

7.5¢ level - Reduce training and travel allowances; accelerate changes in equipment and software, delay equipment purchase. Maintain same reductions at 12¢, 14¢ and 16¢ levels.

Finance

At all levels, cancel capital equipment, reduce travel expenses.

Property Management

7.5¢ level - Reduce program to accelerate right-of-way and property acquisition; reduce program to rehabilitate City-owned historic structures.

12¢ level - Same as 7.5¢ level plus cancel program to rehabilitate City-owned historic structures.

14¢ level - Same as 12¢ level.

16¢ level - Same as 14¢ level plus eliminate program to accelerate property acquisition program.

There was some discussion regarding the need for an Assistant Property Manager. Mr. Morahan stated that his workload, particularly regarding property acquisition, prompted the need for an assistant to handle some of the administrative details of the Department. The City Manager stated that he had encouraged the hiring of an assistant and further stated that Mr. Morahan had developed one of the best property management departments in the State. He was easing the City out of the property rental business, but was heavily involved in property acquisition for Mo-Pac and for greenbelts, which had increased the Department's workload.

Purchases and Stores

7.5¢ level - Reduce administrative expense; eliminate opening of a second office supply center at Annex (2 positions).

12¢ level - Same as 7.5% level plus eliminate hiring of specifications writer and purchasing clerk.

14¢ level - Same as 12¢ level plus delete purchase of equipment to initiate automated inventory control system.

16¢ level - Same as 14¢ level.

Mr. Liro pointed out that not all of the cuts would be credited to tax supported funds.

Police

7.5¢ level - Cancel five police aide positions and two clerical positions; postpone purchase of motorcycles, chairs and radios; curtail travel expenses.

12¢ level - Same as 7.5¢ level plus cancel police legal advisor in Police Department; delay completion of first floor renovation at the Police and Courts Building.

14¢ level - Same as 12¢ level plus cancel completion of first floor renovation at the Police and Courts Building.

16¢ level - Same as 14¢ level plus cancel plan to improve supervision of police patrol (4 sergeant positions).

There was some discussion regarding the cancellation of the police legal advisor position. Councilmen Dryden, Friedman, and Binder all felt that the position was important and should be retained. Chief Miles also felt that the position should be retained. For the past two years, the position had been funded by a Federal grant, which was expiring shortly. In response to Mayor Pro Tem Love's question, Chief Miles did not feel that the position could be handled on a part-time, contract arrangement.

#### Fire

7.5¢ level - Curtail program to increase safety inspection of blasting operations; cancel program to improve fire protection for multi-story structures, reduce administrative expenses.

12¢ level - Same as 7.5¢ level plus eliminate plan to increase supervision in Fire Fighting Division.

14¢ level - Same as 12¢ level plus postpone upgrading of facilities; delay replacement and upgrading of miscellaneous equipment.

16¢ level - Same as 14¢ level plus delay furniture replacement in fire stations.

#### Urban Transportation

7.5¢ level - Reduce administrative expenses; curtail program to expand edge marking, bike lanes and routine traffic marking; cancel present bus service for Brackenridge Hospital employees.

12¢ level - Same as 7.5¢ level plus reduce night-time bus service by one hour (to 9:00 P.M.); cancel program to expand bike lane and routine traffic marking; reduce additional clerical support.

14¢ level - Same as 12¢ level plus reduce night-time service by two hours (to 8:00 P.M.); eliminate expansion of crossing guard program to new schools.

16¢ level - Same as 14¢ level plus cancel Sunday bus service; limit use of new buses to charter service only.

Responding to Mayor Butler's question, Mr. Joe Ternus stated that about 200 individuals rode the bus daily between 9:00 P.M. and 10:00 P.M. at a cost of \$65,000. About 300 individuals rode the bus daily between 8:00 P.M. and 10:00 P.M. at a cost of \$130,000. The \$35,000 for the Brackenridge Hospital bus was a special park and ride system for hospital employees which was set up when parking facilities near the hospital were reduced. Ridership for Sunday bus service was about 2,000 individuals, between 8:00 A.M. and 6:00 P.M.

There was some discussion regarding the school crossing guards and whether the City should continue to fund the program completely or share the costs with the School District.

Public Works

- 7.5¢ level - Cancel staff for Pitch-In program; eliminate plan to increase supervision; delete material mixing plant and dump truck; delete accelerated gravel street maintenance program; reduce equipment rental charges because of reduction in equipment expansion; reduce expanded street sweeping programs.
- 12¢ level - Same as 7.5¢ level plus cancel expanded street sweeping program.
- 14¢ level - Same as 12¢ level plus delete program to improve maintenance of drainage channels; curtail seal coating programs for City streets by reducing purchase level of materials; cancel purchase of portable radios recommended for present field crews.
- 16¢ level - Same as 14¢ level.

Engineering

- 7.5¢ level - Cancel commercial driveway program; limit capability to accelerate Capital Improvements Program; reduce overtime, travel, and capital requirements; increase CIP charges and level of interdepartmental expense refund.
- 12¢ level - Same as 7.5¢ level plus cancel capital requirements; cancel additions to administrative staff.
- 14¢ level - Same as 12¢ level.
- 16¢ level - Same as 14¢ level.

Health Department

- 7.5¢ level - Reduce administrative expenses.
- 12¢ level - Same as 7.5¢ level plus cancel expansion of prenatal care program.
- 14¢ level - Same as 12¢ level.
- 16¢ level - Same as 14¢ level.

Parks and Recreation

- 7.5¢ level - Cancel forestry and tree maintenance; delete summer recreation programs at Pecan Springs and Linder playgrounds; reduce capital requirements and travel expense; cancel planned expansion of Park Ranger force; eliminate expansion of maintenance program in East District; eliminate summer tennis instruction programs; cancel expansion of playground programs at Becker and Doss Schools.

12¢ level - Same as 7.5¢ level plus eliminate expansion of Parks Planning capability; cancel plans for City support of Bicentennial productions; eliminate repairs at Caswell, Natural Science Center, water line replacement at Zilker Park, water line installation at Lake Long.

14¢ level - Same as 12¢ level plus delete Town Lake maintenance foreman; close recreation centers and curtail playground programs by one day per week; curtail expansion of program at Martin Junior High.

16¢ level - Same as 14¢ level plus delete additions to staff at South Austin Recreation Center; delay opening Lanier Pool; delay opening new tennis center.

Mr. Jack Robinson, Director, Parks and Recreation, stated that the curtailment and high cost of fuel, plus the general state of the economy had increased the usage of parks and recreational facilities, and he felt strongly that the facilities should be expanded, not contracted.

Regarding the request for a Park Planner and draftsman, Mr. Robinson stated that the planner (a graduate landscape architect) would be working on park development projects such as Town Lake Development, median beautification, and playground renovation and development. He would also be working on future projects such as the southeast district park site, the new tennis center, landscape planning on municipal buildings, such as the new library, the old fire tower on Town Lake, and Police Station. The work could be handled better inhouse rather than contracted.

Repairs at Caswell Tennis Center were necessary, but some proposed repairs, such as water line replacement at Zilker Park, could be postponed until next year.

Councilman Lebermann questioned the wisdom of cancelling the forestry and tree maintenance program and thought that it was false economy. Mr. Robinson stated that his department had considered contracting to have the work done, but that the cost of one crew to maintain the 14-foot tree branch level above City streets and do minimal park work would cost \$100,000 per year. With two additional personnel, he felt that his department could do the job. They were very far behind in tree maintenance and were concerned about it. There were problems with damage to trucks and buses from low-hanging branches.

In response to Councilman Friedman's question, Mr. Robinson stated that Sunday would be the day to close if park programs were to close one day a week. All recreation centers were presently open on Sunday.

#### Office of Bicentennial Affairs

7.5¢ level - Return City-owned vehicle to pool; reduce purchase of decorative items. Same for 12¢, 14¢ and 16¢ levels.

Councilman Lebermann stated that the Council was committed to a first class effort regarding the Bicentennial. He asked if the proposed cuts would seriously effect that effort. Mr. Beverly Sheffield listed some Bicentennial matters which the City was obliged to do and indicated that most of the money to be cut from the budget would be for decorative items (\$8,600 out of \$9,056).

Library

- 7.5¢ level - Reduce book Budget to 1973-74 level; reduce equipment purchases for two new branches (Northwest Hills, Rosewood-Zaragosa); reduce travel expenses.
- 12¢ level - Same as 7.5¢ level plus reduce staffing levels at two new branch libraries (Northwest Hills, Model Cities Center); close all branch libraries one day per week.
- 14¢ level - Same as 12¢ level, plus reduce Central Library Staff ( 2 positions).
- 16¢ level - Same as 14¢ level plus open three new branches at one-half of the planned service level (Northwest Hills, Rosewood-Zaragosa, Model Cities Center).

Mr. David Earl Hoyt, Director of Libraries, indicated that the economic situation had increased the use of library facilities by about 20 per cent. He felt that Friday should be the day to close the libraries if services were to be curtailed. The savings might be less than the projected \$110,000 because increased use on the other days would demand more of the library staff.

Hospital

- 7.5¢ level - Limit response to request for increased personnel in the following ancillary service areas; radiology, laboratory, and inhalation therapy; reduce administrative and operating expenses in the following divisions: fiscal services, medical records, plant operation and maintenance and house-keeping; reduce travel costs; delete replacement of cafeteria chairs, cancel scheduled annual replacement of beds on one floor; curtail expansions of staff in: social service division and emergency room; delete program to expand food service in the Dietary Division; revise projection of annual cost of the CTMF Medical Education program. Same reductions at 12¢, 14¢ and 16¢ levels.

Councilman Friedman asked Mr. Will Brown, Hospital Administrator, if he could make do with his present staff of social workers and forego the request for three additional workers, plus one clerk. Mr. Brown stated that he would make do with whatever he was allowed to have, but that services in that area at Brackenridge were growing. They were falling steadily behind in interviews because of the heavy increase over last year. Those social workers were not tied to the Emergency Room operation.

Vehicle and Equipment Services

- 7.5¢ level - Reduce maintenance staff at East Service Center; reduce vehicle replacements and absorb within the vehicle replacement fund the cost of replacing and upgrading individual pieces of rolling stock. Upgraded costs which are now included within departmental budgets would be assumed from accumulated depreciation. Same reductions at 12¢, 14¢ and 16¢ levels.

There was some discussion regarding the use of vehicles driven home by City employees. The City Manager indicated that about 6 per cent of City

employees drove City vehicles home, and that a study was underway to analyze the various requirements for the vehicles.

Councilman Friedman asked if perhaps \$100,000 could be cut from the costs of such vehicles. The City Manager indicated that until the report was complete he could not tell how much could be cut, but he doubted that it would be as much as \$100,000.

Councilman Dryden stated that it had been the custom to let City employees drive City vehicles home and he felt that the practice should be maintained.

Mayor Pro Tem Love wanted to see figures on how much it would cost per mile to reimburse individuals who used their vehicles in City emergency situations compared to 24-hour usage of a City vehicle. The City Manager stated that such figures could be prepared.

#### Auditorium/Coliseum

7.5¢ level - Revise contract with Chamber of Commerce for promotion of tourism and conventions from its present one-third formula to a formula which will provide for a contract amount of one-sixth or \$100,000, whichever is greater. Same reductions for 12¢, 14¢ and 16¢ levels.

Councilman Binder asked why the contract with Chamber of Commerce was being considered in the budget instead of with contract grants. The City Manager stated that a portion of the same revenue was used to finance the operation of the auditorium/coliseum and that was why it was indicated where it was. There was no tax impact. In the future, Mr. Gandy, Director of the Auditorium/Coliseum, would help monitor the use of such funds, wherever they were spent.

Councilman Binder asked about using the funds for operation of the auditorium facility. The City Manager stated that an opinion would be given by the City Attorney regarding the total bed tax funds and the various latitudes the Council had available with those funds.

#### Electric

No questions.

#### Water and Wastewater

Councilman Friedman asked Mr. Curtis Johnson if the 7.5¢ level reductions indicated for that Department would effect the proposed rate increase. Mr. Johnson stated that there would be a change in the total dollars anticipated for this year, but it was more of a delay than a deletion. The overall revenue impact on the department would be minimal. The City Manager stated that the City still needed the recommended water and wastewater rates regardless of the level of tax cut voted by the City Council. Mr. Reed further indicated that any reductions which would produce a surplus should go to capital improvements and not have any effect on the rate increase.

ADJOURNMENT

The Council adjourned at 11:30 A.M.

APPROVED

Key Butler  
Mayor

ATTEST:

Grace Monroe

City Clerk